



The Law Society of  
Upper Canada

Barreau  
du Haut-Canada

Annual Report  
Performance Highlights  
  
2010

## Mandate

The Law Society of Upper Canada regulates the lawyers and paralegals of Ontario in the public interest.

The Law Society ensures that every individual who practises law or provides legal services in Ontario meets standards of learning, professional competence and professional conduct that are appropriate for the legal services provided.

The Law Society has a duty to protect the public interest, to maintain and advance the cause of justice and the rule of law, to facilitate access to justice for the people of Ontario, and to act in a timely, open and efficient manner.



# Performance Highlights

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# The challenge of change



*As we prepare to publish the Law Society's Annual Report for 2010, we are in transition between the end of the four-year bench term and the beginning of a new one. We have made significant progress on the initiatives and priorities set in the fall of 2007 by the current benchers. Those priorities included mandatory professional development, civility protocols, the retention of women in private practice, governance reform and the full implementation of paralegal regulation.*

I would like to acknowledge the dedication and leadership that the former Treasurers Gavin MacKenzie and W. A. Derry Millar brought to their respective terms as Treasurer. The profession and the public of Ontario were well served by the quiet efficiency with which these two Treasurers fulfilled their role.

Looking ahead, it is clear that both the face of the profession and the needs of the public are undergoing major change. Since 2000, more women than men are being called to the Bar each year in Ontario. The diversity of the Ontario Bar is also changing. We are beginning to reflect, in part, the changes in our province's diversity. At the same time, in areas outside the major urban centers, the greying of the Bar is a pressing issue. While 43 per cent of the profession overall is over 50, in many counties, the number of lawyers over 50 is 10 to 15 per cent higher than our provincial average. In many of those same areas, fewer than 25 per cent of lawyers are under 40, while the provincial average for the profession is 35 per cent. Finally, despite the increased numbers in our licensing process, we have not had a similar increase in the number of articling positions available.

The Law Society has responded to these challenges. Through the Retention of Women in Private Practice initiative, a Parental Leave Assistance Program has been introduced for lawyers in sole or small practices who have no access to any other parental benefits. The same initiative brought the Justicia project, which has attracted almost 60 large- and medium-size firms to come together and develop policies and tools to address the needs of women lawyers. We have also established a Contract Lawyer Registry to make it easier to find someone to take over a practice during a leave or a vacation.

For lawyers nearing retirement, we have designed a succession planning kit. When I meet with lawyers outside our major cities, I often speak about the importance of attracting young practitioners to their regions. With a significant segment of mature lawyers being sole and small firm practitioners who are practising in smaller communities, we need new lawyers to think about working in these areas. This is a fundamental access issue that must be proactively managed by the profession to ensure that clients continue to have access to legal representation. This fall we held an articling symposium where approximately 100 law firm employers from sole firms and small practices from

outside of Toronto met with more than 200 law students to encourage students to consider articling in smaller communities. We continue to have an articling registry on our website, and we are working on other solutions to address the shortage of positions, including joint articles.

From the perspective of the public, the magnitude of change is no less striking. Hundreds of thousands of Ontarians each year have significant civil legal needs. The Law Society recently participated in a major research study of civil legal needs among low- and middle-income residents in 2010. One in three respondents said they would prefer to resolve their legal needs by themselves, but with some legal advice. One in three low- and middle-income Ontarians have had a non-criminal legal problem or issue in the past three years; one in 10 has had multiple legal problems. For those who sought help from a lawyer or paralegal, they reported being generally satisfied with the assistance provided. Interestingly, half of the low- and middle-income Ontarians who had civil legal needs were able to access free help or paid less than \$1,000 for legal fees. The survey also revealed that people do need help to understand and access the justice system. It is clear that the very complexity of the legal system itself can become a barrier to access to justice.

In the courts, the number of self-represented and unrepresented litigants continues to rise. The study revealed that many Ontarians believe the justice system serves the rich much better than the poor or the disadvantaged. At the same time, Ontarians believe that there are many access points within Ontario's legal system. This implies that the collaborative efforts of the legal community in facilitating access to justice are beginning to bear fruit. The Law Society remains involved in the second stage of the Ontario Civil Legal Needs Project, which will examine where in the province legal services are available. This "mapping" project is expected to be published in the summer of 2011. The completion of this part of the survey will provide the first comprehensive look at where legal services are actually available to meet Ontarians' civil legal needs.

We are also considering the issues arising from limited scope retainers, where a lawyer or paralegal may be asked to do only some tasks for a client, rather than being retained throughout the entirety of a dispute resolution process. As we know that lawyers are already providing 'unbundled' services, we have proposed changes to our *Rules of Professional Conduct* to provide guidance for those providing 'unbundled' services. We have consulted with the profession about the proposed changes and will take the comments we receive into account before the Rule changes are introduced.

At the Law Society's Annual General Meeting in 2010, we committed to review the scope of paralegal practice. As a starting point, we are using the 2000 Framework for Regulating Paralegal Practice in Ontario to complete an initial assessment of needs in the practice areas referred to in the report. We will then determine the knowledge, skills and abilities that would be required to provide those services competently. As we are required to regulate in the public interest, we must carefully consider the issues of training, entry level competence and accreditation during this review. Following the initial review, we will establish a broader framework for consultation through which the public, the courts, paralegals and lawyers may provide further input.

Over the last quarter of 2010 and into early 2011, I travelled with former Treasurer Millar and Law Society staff to meet with lawyers throughout the province in a series of Benchers Election information sessions. We discussed the issues raised here in those meetings, and encouraged the profession to be active in the April, 2011 Benchers Election.

As I near the completion of my first year as Treasurer, I am even more aware of the profession's dedication to maintaining a justice system of which we can be proud. My benchers colleagues, the Law Society staff and our many partners in the legal community are continuing their hard work to ensure that our justice system is accessible to Ontarians and held in high regard.

I look forward to working with the new benchers to fulfil our mandate: to regulate the profession in the public interest.

Laurie H. Pawlitz  
Treasurer

# Evolving to meet society's changing needs

*As I write this report we are in the midst of a bencher election. The polls will close on April 29, 2011 and new governors of the legal profession will take office at Convocation on May 26, 2011. With the election of a new bench, it is important, I think, to look back and to examine the goals and priorities that Convocation set for the Law Society over the last four years and our general financial state of affairs, when many public institutions have found themselves struggling as a consequence of a fragile economy, and the financial strain that accompany such times.*



I started with the Law Society as Chief Executive Officer in 2001 and the annual fee for lawyers at that time was \$1,782. Ten years later in 2011, it had only risen by \$3 to \$1,785 – this despite the fact that we have seen cumulative inflation of 23 per cent, full-fee paying lawyers have increased by 40 per cent and the Law Society now regulates 3,632 paralegals as part of its regulatory mandate. In addition, we have created working capital reserves of \$10.7 million to ensure that the Law Society's cash flow requirements can be met throughout each fiscal year and we have strengthened the compensation fund balance from \$9.3 million at the beginning of 2001 to \$25.9 million at the end of 2010.

We have done this while strengthening our regulatory response to complaints and to professional misconduct and implementing new initiatives around civility, continuing professional development, spot audit, and practice review. We have also substantially increased our support for sole and small firm practitioners, implemented important initiatives to retain

women in private practice, and begun the task of identifying and attempting to resolve the obstacles faced by low and middle income Ontarians to obtain meaningful access to justice.

The Law Society has become a large and complex organization. To implement effectively the broad mandates laid out for the Society in the *Law Society Act* in 2010 required total expenditures of \$81.3 million and a full time equivalent employee count of 498 by the end of the year.

I have summarized below the highlights of our activities as they relate to the Law Society's priorities established by Convocation. Further details of these activities are found throughout the report that follows. One of the biggest challenges going into 2010 was the financial impact of implementing the HST. At the start of 2010, we were considering a special levy of \$450 to make up the \$10 million shortfall that the imposition of the HST would have imposed on LAWPRO's reserves. The resolution of the Law Society's litigation with Ernst & Young and Tillinghast arising out of professional services rendered with respect to the Law

Society's insurance program during the period of 1991 through 1994 was quite provident. The receipt of the settlement funds obviated the need for the imposition of a special levy on the Law Society's membership. The resolution of this long outstanding litigation in 2010 closes the chapter on a difficult period in the Law Society's history.

### Priority 1:

Maintain high standards and ensure effective competence, provide quality assurance of post-licensing competence and access to quality improvement programs.

In February 2010, Convocation approved a Continuing Professional Development (CPD) requirement of 12 hours per year for all practising lawyers and licensed paralegals.

The requirement is a significant step in the efforts of the Law Society to ensure competence through proactive quality improvement measures. It also represents a commitment to quality on the part of lawyers and paralegals and reinforces public respect for the justice system.

Much work was done last year to plan for January 1, 2011, when the requirements came into effect. The Law Society enjoyed the support and input from the profession in developing relevant, accessible and affordable programming. More than 130 programs are offered in 2011.

In December, we launched a web portal to allow lawyers and paralegals secure access to report their CPD hours and manage other information online.

### Priority 2:

Professional regulation, particularly the efficiency and transparency of the discipline process and quality assurance.

As the regulator of more than 42,000 lawyers and over 3,500 paralegals, it is imperative that we constantly make public protection a priority. In 2010, we implemented a number of activities designed to achieve greater efficiency and transparency in professional regulation. These included introducing a pre-proceeding consent resolution conference to expedite the investigation and hearing process for lawyers and paralegals who admit to misconduct allegations against them, and expanding the summary hearing process.

We also launched an expanded online lawyer and paralegal directory that now includes information on past discipline history, current practice restrictions and trusteeships – both active and closed.

### Priority 3:

Access to justice

The Law Society's Lawyer Referral Service (LRS) continues to fill an important public need by giving the people of Ontario access to lawyers who can inform individuals of their legal rights and options. In January 2010 we enhanced access to the LRS by eliminating the \$6 charge on the 900 line and routing all calls to our existing toll-free 800 and local GTA line. This move had an immediate and considerable effect on LRS call volumes, with 138,022 calls received in 2010 compared to 48,939 in 2009 – an increase of approximately 180%.

In May 2010 the Honourable R. Roy McMurtry, former Chief Justice of Ontario, released a seminal report which revealed the need for the legal community to help people better understand and access the justice system. The Ontario Civil Legal Needs Project, chaired by the former Chief Justice, was the first comprehensive study of the civil legal needs of Ontarians and was a joint initiative of the Law Society, Legal Aid Ontario and Pro Bono Law Ontario, with support from the Law Foundation of Ontario.

Entitled *Listening to Ontarians*, the report provides interesting insights regarding the way low- and middle-income Ontarians deal with civil legal issues in their daily lives. The study provided a number of suggestions to address the barriers the public encounters in accessing justice and also created the impetus for certain Law Society initiatives, such as facilitating the unbundling of legal services.

### Priority 4:

Diversity within the legal profession

In April 2010, the *Racialization and Gender of Lawyers Report* by Professor Michael Ornstein provided us with an important statistical portrait of the profession. His demographical study confirmed that the face of the legal profession is indeed changing. The number of lawyers who are women, Aboriginal and members of a visible minority continue to grow to be more representative of the public we serve.

The Law Society's ongoing research and data collection on the demographics of the profession have led to the creation of such ground-breaking initiatives as the Retention of Women in Private Practice Project, the Aboriginal Bar Consultation and the Discrimination and Harassment Counsel program.

The implementation of the initiatives designed to empower women to take charge of their careers remains a priority area. In 2010, the Law Society held a number of events in the context of the Women's Leadership Institute. These included a symposium



in Ottawa and series of workshops which fostered opportunities for participants to network, learn practical skills and hear about the experiences of senior women in various sectors of the legal profession.

### Priority 5:

#### Small firms and sole practitioners

The Law Society continued to enhance supports for sole and small firm practices throughout 2010 to ensure they remain viable and reflective of the communities they serve. We hosted the fifth Annual Solo and Small Firm Conference and Expo in May. Available for the first time via live webcast, the conference allowed practitioners to network and learn new strategies and best practices to improve their legal practice.

We also revamped the online Locum Registry to make it easier to access. Now called the Contract Lawyers' Registry, the free online tool can be extremely helpful for sole and small firm practitioners in a number of situations where they need to be away from their practice, or require extra assistance.

### Priority 6:

#### Paralegal regulation

The Law Society held its first-ever election of members of the Paralegal Standing Committee in April 2010, marking a significant milestone in paralegal regulation. Ontario's licensed paralegals elected five of their peers to fill five of the 13 seats on the committee for a four-year term. Another first was the election by the five paralegals and the three lay benchers members of the committee of the two paralegal benchers who now sit in Convocation. The committee plays an integral role in the governance and regulation of licensed paralegals in Ontario.

A new process to integrate collection agents and members of some of the groups previously exempt from paralegal licensing, proposed by the Paralegal Standing Committee following consultations with these groups, was approved by Convocation. As of October 1, 2010, eligible applicants were given 12 months to apply for licensing, until September 30, 2011.

### Priority 7:

#### Strategic communications, through effective media relations, the measurement of public opinion and attitudes, and proactive communication

Findings from public and lawyer surveys conducted in 2009 guided a series of strategic improvements we made to the public website and other media.

We built a new section on the public website that combines in one area all of the information from regulatory notices, hearing schedules, and tribunal orders and decisions. The public can now search for notices of application, hearing dates, and tribunal decisions by lawyer or paralegal name, or date.

In October 2010, the Law Society launched "Your Law" – a series of short videos available on our public website and on YouTube to demystify some of the common legal issues members of the public often face. The series also demonstrates how lawyers and paralegals are helpful and accessible. There are six vignettes focusing on the most frequent areas of law in which needs arise for low and middle income Ontarians, as revealed in the Ontario Civil Legal Needs Project.

### Priority 8:

#### Governance structure

In 2010, implementation of reforms to the structure of Convocation began with statutory and by-law amendments. Aimed at modernizing the Law Society's governance structure and fostering renewal in Convocation, the Governance Task Force recommendations adopted by Convocation include term limits for elected benchers and, going forward, the end of *ex officio* status for former Treasurers, former Attorneys General and life benchers. The reforms addressed issues identified during the task force's research and consultation with benchers, lawyers and paralegals.

Following earlier planning, work began in earnest in the fall of 2010 in preparation for the 2011 Bencher Election, which will be conducted online for the first time. The Law Society held a series of information sessions across the province in December 2010 and January 2011, to offer insight on Law Society initiatives, encourage lawyers to run for bencher, answer questions about what is involved in being a bencher and encourage stronger voter participation.

#### 2011 Budget

I was pleased that we were able to keep the 2011 annual fee increase for lawyers and paralegals at 2.8 per cent and 2.6 per cent respectively, well below the 3.4 per cent change in consumer prices. In approving a budget with a modest fee increase we recognized the economic realities faced by lawyers and paralegals across the province, while remaining firm in our commitment to enhance the Law Society's core regulatory programs, Continuing Professional Development and the other important initiatives described in this report.

As I look forward to 2011 and beyond, there continue to be many challenges for the Law Society and its regulation of



legal services. The provision of legal services is becoming more national and international. In addition, we are seeing new practice models, alternate business structures and new regulatory models being implemented in other common-law jurisdictions. These new realities will challenge our newly elected benchers and our management team. It is clear that it will continue to be an interesting and challenging time for the Law Society as it regulates legal services in the public interest.

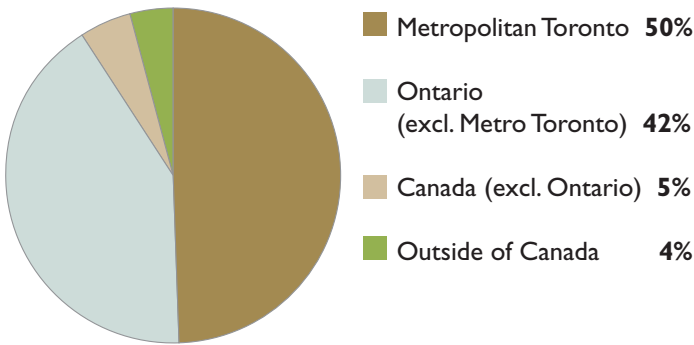
Finally, I would like to thank the outgoing group of benchers for their counsel and guidance over the last four years, Treasurer Laurie H. Pawlitza, for her hard work following her election at June Convocation, and of course, my dedicated group of management and staff here at the Law Society.



Malcolm Heins  
Chief Executive Officer

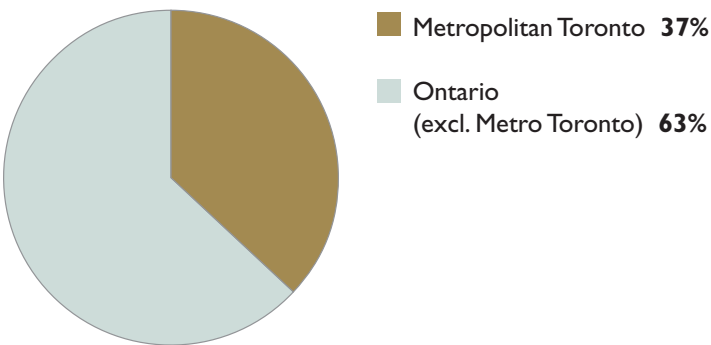
## MEMBERSHIP DATA

Geographical distribution of licensees (Lawyer)  
in good standing



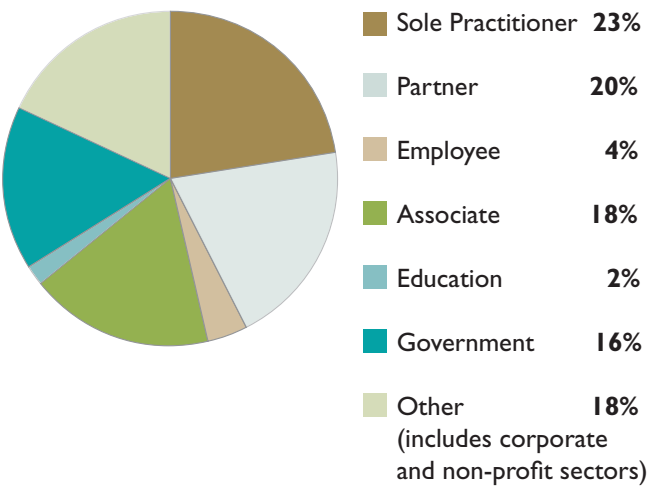
Note: Data as at December 31, 2010

Geographical distribution of licensees (Paralegal)  
in good standing



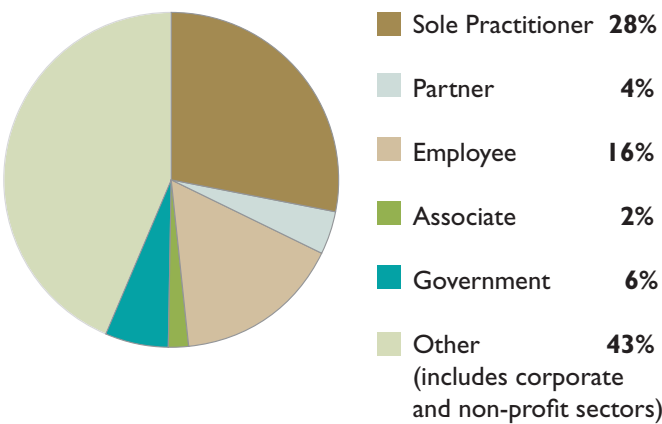
Note: Data as at December 31, 2010

Membership (Lawyer) by area of employment in Ontario



Note: Data as at December 31, 2010

Membership (Paralegal) by area of employment in Ontario



Note: Data as at December 31, 2010

### Membership (Lawyer) by age and gender

Age	2008	2009	2010
<i>Over age 65</i>			
Men	3,356	3,660	3,970
Women	226	284	336
<i>50 to 60</i>			
Men	9,336	9,463	9,592
Women	3,239	3,571	3,914
<i>40 to 49</i>			
Men	5,917	5,892	5,931
Women	4,468	4,567	4,690
<i>30 to 39</i>			
Men	5,245	5,271	5,284
Women	5,747	5,920	5,993
<i>Under age 30</i>			
Men	978	1,026	1,056
Women	1,352	1,325	1,403
<i>Total</i>			
Men	24,832	25,312	25,833
Women	15,032	15,667	16,336
<i>Total</i>	39,864	40,979	42,169

Note: Data as at December 31, 2010

### Membership (Paralegal) by age and gender

Age	2008	2009	2010
<i>Over age 65</i>			
Men	65	80	105
Women	5	7	10
<i>50 to 60</i>			
Men	545	597	669
Women	195	237	320
<i>40 to 49</i>			
Men	310	355	405
Women	322	368	453
<i>30 to 39</i>			
Men	226	248	289
Women	271	332	451
<i>Under age 30</i>			
Men	105	130	182
Women	239	364	641
<i>Total</i>			
Men	1,251	1,410	1,650
Women	1,032	1,308	1,875
<i>Total</i>	2,283	2,718	3,525

Note: Data as at December 31, 2010

### Size of Law Firm

Size Per Number of Licensee	Firm	Licensee <sup>1</sup>
1 lawyer	7,637	7,637
2 - 10 lawyers/ paralegals	2,079	6,889
11 - 25 lawyers/ paralegals	155	2,414
26 - 50 lawyers/ paralegals	35	1,173
51 + lawyers/ paralegals	36	5,335
<b>Total</b>	9,942	23,448

Note: Data as at December 31, 2010

<sup>1</sup> May include paralegal licensees working with law firm

### Size of Paralegal Firm

Size Per Number of Licensee	Firm	Licensee
1 paralegal	923	923
2 paralegals	121	242
3 paralegals	24	72
4 paralegals	12	48
5 paralegals	1	5
6 - 10 paralegals	10	74
11 - 15 paralegals	1	12
<b>Total</b>	1,092	1,376

Note: Data as at December 31, 2010

# Policies to advance our mandate

*The Policy Secretariat provides support to benchers in their policy-making role, acting as secretaries to Convocation's standing committees, task forces and working groups.*

Depending on the nature of the policy under development, Policy Counsel may:

- Research the history of the policy and related policies
- Determine how other law societies and professional regulators in Canada and internationally have dealt with the issue
- Consult with stakeholders, including the professions, legal organizations and government.

Policy Counsel also draft submissions to government and other bodies in response to proposals. In addition, they review draft legislation and, if relevant, bring it to the attention of the appropriate committee and Convocation for response.

## Regulation of Paralegals and Lawyers

A large part of the Policy Secretariat's work in 2010 related to the regulation of paralegals and lawyers, including:

- Finalization and implementation of a Continuing Professional Development requirement for lawyers and paralegals
- By-laws related to foreign legal consultants and international commercial arbitrations
- Amendments to update and clarify certain *Rules of Professional Conduct* and *Paralegal Rules of Conduct*
- Amendments to the lawyers' rules on conflicts of interest related to counsel in Pro Bono Law Ontario's short-term limited legal services program
- Amendments to the lawyers' and paralegals' rules governing communication with represented organizational parties, following a call for input
- Review and consultation on proposed conduct rules related to the unbundling of legal services
- By-law amendments respecting the electronic filing of the lawyer and paralegal annual reports
- By-law amendments respecting the election of paralegal benchers
- Continuation of the review of the exemption categories in paralegal regulation, including implementation of an integration process for exempt paralegals and collection agents

- Two-year review of appointment of non-bencher adjudicators
- Adoption of a Pre-Proceeding Consent Resolution Conference to facilitate early resolution of regulatory matters
- Amendments to implement mobility for lawyers from the Barreau du Québec

## Governance

The Director, Policy and Tribunals, oversaw the first election of the five paralegal members of the Paralegal Standing Committee in March 2010. This led to the election of the two paralegal benchers by the paralegal and lay members of the committee in April 2010, for which Policy Counsel also provided support.

Policy Counsel supported the work of the Governance Task Force throughout 2010. The task force prepared by-law amendments adopted in May 2010 to implement the decisions made by Convocation on governance reforms.

Policy Counsel also supported the initiative through which policy and procedural changes were made to the conduct of the bencher election, leading to by-law amendments adopted by Convocation in October 2010.

## Federation of Law Societies of Canada

Staff in the Policy Secretariat also support the work of the Federation of Law Societies of Canada, which in 2010 included:

- The Committee on the Implementation of the Recommendations of the Task Force on the Canadian Common Law Degree
- Model Rules of Conduct to facilitate uniform professional conduct standards across Canada
- The Québec Mobility Agreement
- Monitoring the implementation of the National Mobility Agreement, including implementation of mobility rules between the Barreau du Québec and the common law jurisdictions.



*A major milestone: In March 2010, Ontario's licensed paralegals participated in the first election of the five paralegal members of the Paralegal Standing Committee, who are shown left to right: Paralegal Benchers Paul Dray; Committee Chair Cathy Corsetti; Committee Member Kenneth C. Mitchell; Paralegal Benchers Michelle L. Haigh; and Committee Member Robert Burd.*

## The Tribunals Office

The Tribunals Office is responsible for the efficient administration of the Law Society's tribunals – the Hearing and Appeal Panels. This includes the scheduling and clerking of hearings; provision of support to adjudicators; administration and review of orders and reasons of the tribunals; publication of the tribunals' orders and reasons and dealing with inquiries from the public and media.

The volume of matters dealt with by the Tribunals Office in 2010 continued to be high, with 166 files opened, comparable to the 169 files opened in 2009. Law Society tribunals considered 181 files in 2010 compared to 158 in 2009. Hearings and proceeding management conferences were scheduled on 219 days, or on 88 per cent of available calendar days.

Two additional full-time clerks were recruited in 2010 to assist the Tribunals Office in managing its heavy workload. Staff in the Tribunals Office facilitated and organized orientation sessions for new potential French-speaking lay and lawyer adjudicators and paralegal adjudicators.

## Government Relations

Staff in the Government Relations Unit build and maintain effective working relationships with all levels of government — federal, provincial and municipal. They anticipate, monitor and address government initiatives that may affect any part of the Law Society's mandate. Issues in 2010 included:

- Legal Aid Ontario funding and policies
- International and national mobility including: internationally trained individuals; General Agreement on Trade in Services; Trade, Investment and Labour Mobility Agreement; and Agreement on Internal Trade
- Monitoring of government reports and initiatives such as Justice on Target, the Fair Access to Regulated Professions Commission, and the *Accessibility for Ontarians with Disabilities Act, 2005*
- Management of the process for the Law Society's recommended appointments of individuals to various external organizations
- The Ontario Civil Legal Needs Project
- Ongoing liaison with the provincial government on the progress of paralegal regulation
- Submission regarding the federal regulation of immigration consultants.

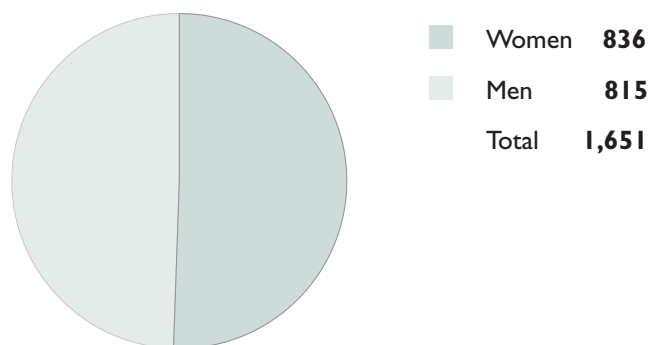
# Assuring competence and quality

*The mandate of the Law Society is to ensure that Ontario lawyers and paralegals meet high standards of learning, competence and professional conduct. The Professional Development and Competence Department achieves this through a two-pronged approach: quality assurance programs and quality improvement activities. Quality assurance programs focus on ensuring compliance with established standards, while quality improvement activities involve developing tools to facilitate improved practices.*

## Lawyer Licensing Process

The licensing process for lawyers comprises two separate licensing examinations (barrister and solicitor), a 10-month articling term, an online Professional Responsibility and Practice Course, and requirements for good character. In 2010, 1,651 lawyers were called to the Bar of Ontario.

### Candidates Called to the Bar in 2010



## Professional Responsibility and Practice Course

The Professional Responsibility and Practice Course, launched in August 2009, is designed to enhance the training and mentorship that candidates receive during articles by expanding their knowledge of lawyers' duties, tasks and challenges, and by providing them with an approach for analyzing common ethical and practice dilemmas. Comments received from a survey of articling principals and candidates conducted in March 2010 assisted the Law Society to incorporate minor changes in the presentation of the online Course. The updated Course was made available to the new group of candidates in July 2010. In 2010, 1,485 articling candidates were granted access to the online course.

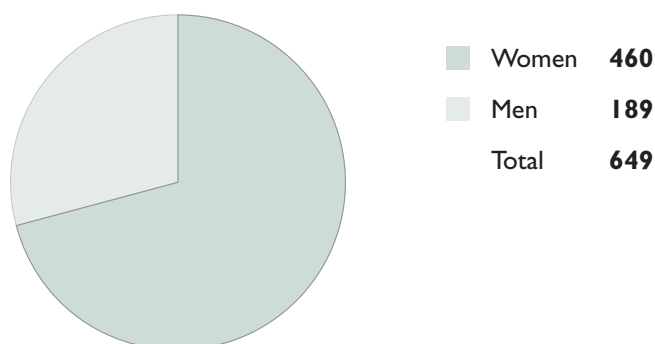
## Professional Conduct and Practice Course for Internationally Trained Lawyers

The Law Society also continues to provide a three-day mandatory course for internationally trained common law candidates granted an exemption from articles based on experience (more than 10 months of practice). The Course was held in May 2010 for 51 candidates, and repeated in December 2010, with 47 candidates in attendance.

## Paralegal Licensing Process

Candidates for paralegal licensing are required to complete a diploma or certification from a community or private college with a paralegal program that is accredited by the Law Society. The requirements for certification include a 120-hour field placement. Once in the Licensing Process, paralegal candidates write a licensing examination and meet the requirements for good character. In 2010, 649 paralegals were licensed.

### Candidates Issued a PI Licence in 2010





## Exempted Group and Collection Agent Integration Licensing Process

In 2010, the Law Society approved an additional group of potential paralegal licensing candidates for entry into the licensing process, establishing specific entry requirements and the development of an online course with assessments to be taken by the applicants.

## College Program Accreditation

By the end of 2010, the Law Society's accreditation team accredited an additional 9 college paralegal programs. A total of 20 programs are now accredited. The college audit process is designed to ensure that a program's curriculum, infrastructure and systems support meet the Law Society's accreditation criteria. All colleges will be audited within three years of the date of their accreditation and at least once every five years thereafter. In 2010, seven audits were conducted.

### Approved paralegal programs by the end of 2010:

1. *Algonquin Careers Academy (Mississauga, Ottawa)*
2. *Algonquin College (Ottawa)*
3. *CDI Institute (Toronto)*
4. *CTS Canadian Career College (Barrie, Sudbury)*
5. *Durham College (Oshawa)*
6. *Durham College (Certificate) (Oshawa)*
7. *Everest College (Toronto, Nepean)*
8. *Fleming College (Peterborough)*
9. *George Brown College (Toronto)*
10. *Herzing College (Toronto)*
11. *Herzing College (Ottawa)*
12. *Humber Institute of Technology and Advanced Learning (Toronto)*
13. *Humber Institute of Technology and Advanced Learning (Degree) (Toronto)*
14. *La Cité collégiale (Ottawa)*
15. *Loyalist College (Belleville)*
16. *Seneca College of Applied Arts and Technology (Toronto)*
17. *Sheridan College Institute of Technology and Advanced Learning (Brampton)*
18. *St. Clair College (Windsor)*
19. *Trios College (Toronto, Mississauga, Kitchener, Windsor, London, Oshawa, Hamilton)*
20. *Westervelt College (London)*

## Articling Registry

The online Articling Registry continues to be a useful recruitment and job search tool for law firms, legal organizations, law students and licensing candidates. Using the registry, firms can post available articling positions and search through articling candidates' profiles; candidates can use the registry as a tool for reviewing articling opportunities in their job search. The registry also assists smaller firms outside of major

urban centres to locate law students or licensing candidates who are interested in available articling positions. In 2010, employers posted 134 articling positions on the registry.

## Articling Survey

An Articling Survey of all private practitioners in Ontario was completed in 2010. By May 2010, over 8,200 firms in the province had been contacted and 7,749 firms had completed a telephone survey designed to elicit views and current practices related to articling placements. The survey provided the opportunity to confirm available placements across the province and to educate firms about non-traditional articling structures including joint articles and part-time articles. Practitioners who expressed interest in non-traditional articles were asked if they wished to receive further information about the articling program, joint articles and becoming an articling principal. The results of the survey indicated that there were 661 law firms hiring a total of 1,280 articling candidates in Ontario.

Follow up was conducted with lawyers who wished to receive, and were sent, information about joint articles. In total, 2,284 firms requested and received further information.

Approximately 300 of those expressed a specific interest in joint articles. From the 300 firms, the Law Society was only able to facilitate a match for four firms for a total of two joint articling positions.

## Articling & Beyond Symposium



On November 19, 2010 an articling symposium and career fair was held at the Law Society of Upper Canada. This first-ever symposium, co-presented by the Law Society, the Ontario Bar Association and the County and District Law Presidents' Association, was designed to connect law students, articling candidates and new lawyers with practitioners from sole and small firms and communities outside of Ontario's major urban centres. Over 200 law students and approximately 100 law firm employers gathered at Osgoode Hall for this event featuring panel discussions, small workshops and an opportunity to network throughout the afternoon at the career fair. A second symposium has been planned for 2011.

## Continuing Professional Development (CPD)



In February 2010, Convocation approved the new CPD requirement. Commencing January 1, 2011, lawyers and paralegals must complete in each calendar year at least 12 hours of continuing professional development in eligible activities. No less than three of the 12 hours must be on topics related to ethics, professional responsibility and/or practice management (“professionalism”). New lawyers and paralegals in their first two full calendar years of practising law or providing legal services are required to take 12 hours per year of programming that is fully accredited by the Law Society and that either integrate professionalism issues within substantive training or are entirely focused on professionalism.

The CPD unit conducted focus groups with volunteer members of the profession to validate and update the essential, intermediate and advanced level competencies in the core practice areas. These competencies are being used to develop the most relevant and practical substantive, procedural and professionalism programs to assist members to meet their CPD requirements. In 2010, the Law Society completed the initial planning for over 130 CPD programs for presentation in 2011. A series of Professionalism Case Studies and a Participant’s Guide have been developed for members to download from the Law Society’s website and use as the basis for study group sessions.

In support of the new CPD requirement, a new process and supporting documentation for the accreditation of professionalism content in CPD programs and alternate eligible educational activities was developed. This included accreditation application forms, exemption application forms, and FAQs for CPD providers. By the end of 2010, 245 applications for accreditation of New Member programs scheduled after June 1, 2010 and the professionalism content of programs scheduled after January 1, 2011, were processed. Fifty-eight applications for alternate eligible educational activities with a professionalism component were also accredited by year end. Alternate activities include teaching, mentoring, writing, and other opportunities.

The new Member Portal will be used as the reporting system for members to log their CPD hours. Throughout 2010, the Law Society team developed the specifications based on business requirements and implemented this section of the Member Portal for launch in January 2011.

	2010
<i>Total number of CPD programs (all formats)</i>	94
<i>Attendance at all CPD programs (all formats)</i>	19,785
<i>Average attendance at all CPD programs (all formats)</i>	210

### Legal information: The Great Library and Services

The Law Society’s legal information and research specialists are working to provide members with increased access to legal information. Reference librarians answered over 30,000 questions in 2010, 80 per cent of them in person at Osgoode

### Number of Articling Placements in Ontario

Area Description	Total Firms in Region	Total Firms Contacted & Completed Survey	Firms Contacted with no Articling Placements	Firms Contacted with Articling Placements	Total Articling Candidates in Region
(1) Metropolitan Toronto	3,279	3,140	2,793	347	830 (64%)
(2) Northwest Region	104	93	86	7	11 (1%)
(3) Northeast Region	226	207	197	10	13 (1%)
(4) East Region	1,005	926	816	110	180 (14%)
(5) Central East Region	1,151	1,089	1,039	50	57 (5%)
(6) Central West Region	960	908	856	52	61 (5%)
(7) Central South Region	773	715	670	45	65 (5%)
(8) Southwest Region	711	671	631	40	63 (5%)
Totals:	8,209	7,749	7,088	661	1,280



Hall. Law Society members are accessing new premium resources, like HeinOnline, from anywhere with an Internet connection. Library staff are implementing the collection development policy to reduce costs while maintaining access to information, leading to increased electronic content access within the Great Library.

### *Search and Discovery*

A new legal information search software has been implemented which creates a unified interface for searching multiple information sources, including the online catalogue and the digital library. Other resources will be added over time, including law journals and primary law.

### *LibraryCo Services and Supports*



The Law Society continues to provide significant operational support to LibraryCo, including hosting and providing an online toolkit of resources. This is a legal research website available to lawyers in their offices in 31 counties across the province, particularly where access to legal information through a local library is limited. Roughly 2,300 lawyers are eligible to use the toolkit, and the toolkit averaged 1,000 visits per month.

### *Quality Assurance*

#### *Spot Audit Program*

Spot Audit is a proactive, quality assurance program that assesses a firm's compliance with financial record keeping requirements. In 2010, approximately 1,630 audits were conducted. The majority of these audit engagements found that the firm had either minor/no books and records deficiencies (47 per cent) or deficiencies that were readily remediated to the Law Society's satisfaction (40 per cent). Lawyers selected for an audit continue to report extremely high approval ratings for both the auditors and the overall experience (approximately 99 per cent).

### *Practice Management Review Program*

Practice management reviews ensure that practitioners meet competency standards, as well as identify areas for improvement in managing the lawyer's practice. Reviewers provide practical suggestions on how to maintain practice at optimal levels, leading to greater efficiencies, high quality service and greater lawyer and client satisfaction. In 2010, there were 457 practice management reviews conducted (368 initial reviews plus 89 revisits). Approximately 24 per cent of initial attendances found that lawyers were not meeting standards of professional competency. A revisit will be required to assess the implementation of recommendations made in the initial reviewer's report.

Over 95 per cent of lawyers selected for a practice management review responded that they found the process to be constructive and value added to managing their practice.

The Practice Management Review Program has initiated seminars to rural county law associations on effective practice management processes. They have been well attended and have received very high satisfaction ratings from the attendees.

### *Paralegal Practice Audits: Scope of Audit*

Practice audits mirror the format of practice management reviews, with the goal of providing targeted advice to achieve effective and efficient practices. In 2010, there were 89 practice audits of paralegal practices conducted (66 initial audits plus 23 revisits). Approximately 52 per cent of initial attendances found that paralegals were not meeting standards of professional competence and a revisit would be required to assess the extent of remediation.

The Practice Audit Program has been well received by paralegals, with 97 per cent of those who underwent a practice audit finding it to be constructive and value added.

### *Practice Management Supports*

#### *Practice Management Helpline*

Through this confidential telephone service, experienced counsel provide lawyers and paralegals with assistance in interpreting the *Rules of Professional Conduct*, Law Society legislation and by-laws, as well as ethical and practice management issues. Callers from sole and small firms make up 70 per cent of all queries. For lawyers, the majority of questions relate to real estate (22 per cent), family law (18 per cent) and civil litigation (17 per cent), while for paralegals, most questions received relate to provincial offences (23 per cent) and small claims (30 per cent).

## Top 10 Programs in 2010

Program Name	Date	Total Number of Delegates	% of Attendance by Webcast
<i>The New Guide to File Retention and File Destruction (Teleseminar)</i>	June 9	1,890	n/a
<i>13th Annual Estates and Trusts Summit</i>	November 17 & 18	682	45%
<i>HST - The Ontario Harmonized Sales Tax and Your Practice (Teleseminar)</i>	June 23	657	n/a
<i>The Six-Minute Family Law Lawyer 2010</i>	December 1	519	57%
<i>7th Annual Real Estate Law Summit</i>	April 21 & 22	510	48%
<i>Articling &amp; Beyond - Finding Work That Works For You (Live Only)</i>	November 19	421	n/a
<i>18th Annual Immigration Law Summit</i>	November 24 & 25	378	21%
<i>The Six-Minute Real Estate Lawyer 2010</i>	November 2	334	64%
<i>4th Annual Family Law Summit (2 Days)</i>	June 10 & 11	327	31%
<i>Annotated Will 2010</i>	February 4	317	75%

## Practice Mentoring Initiative

In 2010, the Practice Management Helpline matched a total of 69 mentees with mentors. The highest requests for mentors came from the practice areas of Estates, Real Estate, and Family Law respectively.

## New Practice Guides for Lawyers and Paralegals

The new *Guide to Retention and Destruction of Closed Client Files* became available in 2010. A free teleseminar on the Guide was held in June 2010 to assist members to apply the Guide and to develop best practices for the closure, retention, and destruction of files, improve efficiency, and protect against malpractice claims. Program materials included a draft retention policy to assist members in constructing a policy of their own within their firms.

Resources developed for paralegals in 2010 included: *Paralegal Guide to Closing Your Practice*, *Guide to Opening Your Paralegal Practice* and the *Paralegal Guide to Retention and Destruction of Closed Client Files*.

## Practice Tips



The Law Society publishes *Practice Tips* weekly in the *Ontario Reports*, which contain essential professional responsibility and practice management information in the form of articles, questions and answers, and checklists. This service continues to receive very positive feedback from the profession.

# Assisting the public and supporting members

*The Client Service Centre (CSC) plays a key role in many of the core activities the Law Society undertakes to regulate the more than 42,000 lawyers and over 3,500 paralegals across Ontario in the public interest.*

*This area's diverse responsibilities include everything from the resolution of certain types of complaints to the development and administration of the annual lawyer and paralegal filing process.*

The CSC also assists members in determining their status and fee category, and protecting and preserving the Law Society's heritage assets through the Curator's Office. The department works closely with Information Systems, as well as other internal divisions to ensure the seamless provision of technical services, such as e-filing and the LSUC Member Portal, which was launched in 2010. The Client Service Centre consists of seven departments: Complaints Services, Administrative Compliance, Membership Services, Call Centre/LRS, the Corporate Resource and Training Centre, Facilities Services (including the Curator's Office and Mechanical Services) and Security Services. Each of these areas performs a unique and vital role for the Law Society and its stakeholders.

Complaints Services is the starting point for written complaints received by the Law Society. After CSC staff send out an acknowledgement letter, they review each complaint to determine whether it falls within the Law Society's jurisdiction. If not, the file is closed and they notify the complainant. Most files that are within jurisdiction are transferred to the Professional Regulation Division. However, in certain instances, staff may attempt to resolve the issue themselves under the guidance of Counsel.

Total complaints	
New Complaints Received	6,762
Reopened in Complaints Services (CSC)	97
Total	6,859
Resolved in Complaints Services (CSC)	447
Closed in Complaints Services (CSC)	1,611
Transferred to Intake (Professional Regulation)	4,801

Administrative Compliance is responsible for the development and administration of many of the Law Society's by-law related processes including the annual lawyer and paralegal filing process, voluntary licence surrender, exemptions, professional corporations and licensing. It is also responsible for the maintenance of certain closed trusteeship files (primarily wills and powers of attorney).

Membership Services maintains the Law Society's member database, and assists lawyers and paralegals with fee- and database-related inquiries. In addition, this area is responsible for staffing the reception desk and transaction window on the first floor at Osgoode Hall.

The Call Centre responds to inquiries from lawyers, licensed paralegals and members of the public, and administers the



**Looking for clients?  
Join the LRS today**

<http://rc.lsuc.on.ca/lrs>

The Law Society of Upper Canada

*As public demand for the Lawyer Referral Service (LRS) soars, the Law Society is seeking lawyers to join in helping meet the legal needs of Ontarians. The removal of the \$6 charge on the 900 line had an immediate and considerable effect on LRS call volumes, with 138,022 calls received in 2010, compared to 48,939 in 2009 - an increase of approximately 180 per cent.*

popular Lawyer Referral Service (LRS). This area experienced significant increases in call volumes throughout 2010, due primarily to the removal in January of the \$6 administrative fee formerly charged to LRS callers.

The Corporate Resource and Training Centre is an internal resource, available to all Law Society divisions, that provides consulting services and hands-on expertise in the areas of documentation, quality improvement and employee development/training.

Facilities Services and Security Services work together to ensure the safety, security and health of all employees and visitors to the Law Society. The in-house Security Services team operates 24 hours a day, seven days a week, and the Facilities staff are well-equipped to deal with the unique challenges inherent in maintaining our heritage building. The Curator’s Office is also part of the CSC group, and works closely with Facilities Services to help preserve the history and heritage of the Law Society and its historic premises.

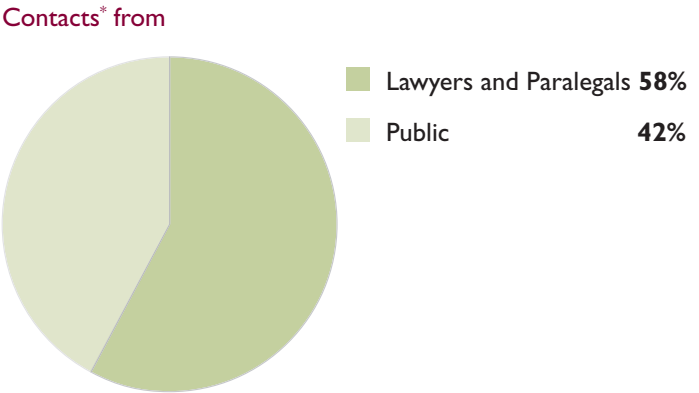
### Contacts

The CSC experienced an increase in contacts in 2010 to 592,206, up from 475,931 the previous year. Most of this increase can be attributed to Lawyer Referral Service call volumes and related procedures, as described previously. Increases were also noted in Administrative Compliance, Complaints Services and Membership Services.

Lawyers and paralegals formed 58 per cent of the CSC’s outside contacts, with 42 per cent coming from members of the public. This compares with 70 per cent and 30 per cent, respectively, in 2009.

Total contacts			
	2008	2009	2010
	471,689	475,931	592,206

Contacts over the year	
Call Centre	324,150
Membership Services	127,299
Administrative Compliance	112,098
Complaints Services	28,659



\*Includes facsimiles, mail, email, in person and telephone contacts

The popularity of e-filing continued to grow in 2010. Seventy-nine per cent of lawyers who filed the 2009 Lawyer Annual Report or LAR (formerly the MAR) used our e-filing service, up from 75 per cent in 2009, and 96 per cent of paralegals filed their PAR (Paralegal Annual Report) electronically compared to 91 per cent the previous year.

How did Membership Services support members?	
General member service requests	86,946
Certificates, clearance checks, fee adjustments	14,564
Window transactions	6,728
Phone calls	19,061

Annual Reports	e-filed	%	Paper	%
Lawyers	31,766	79	8,600	21
Paralegals	2,609	96	96	4

# Regulating in the public interest

*As part of its mandate, the Law Society is committed to protecting the public through the effective regulation of lawyers and paralegals. Effective regulation includes a complaints, investigation and discipline process that is transparent, timely and accessible. It also means that lawyers and paralegals are held to standards of behaviour that adhere to the requirements of the Law Society Act, as well as its regulations and by-laws, the Paralegal Rules of Conduct and the Rules of Professional Conduct.*

The Law Society's Professional Regulation Division is responsible for various aspects of lawyer and paralegal regulation. The Division responds to complaints involving conduct, competency and capacity issues. Conduct-related complaints range from relatively minor service issues, to more serious allegations, such as those involving the misuse of monies held in trust. The Law Society is able to resolve many complaints by working with complainants, lawyers and paralegals to address the regulatory issues that are identified. When appropriate, the Professional Regulation Division will conduct investigations. These will sometimes lead to formal discipline prosecutions.

## The Complaints Process – Overview

During 2010, the complaints process remained stable. The Professional Regulation Division received 4,801 new complaints, an increase of 1.4 per cent over 2009. In 2010, the Division closed 5,166 cases; an increase of seven per cent over the previous year.

New complaints that are identified as being within the Law Society's mandate are transferred to the Intake department of the Professional Regulation Division. Intake identifies the regulatory issues and ensures that there is adequate documentation to support the allegations. Intake may try to resolve the complaint, or refer it to be investigated by the Complaints Resolution or the Investigations Departments. Complaints Resolution deals with complaints that involved less serious breaches of the *Rules of the Professional Conduct* or *Paralegal Rules of Conduct* and Investigations deals with allegations of serious lawyer or paralegal misconduct, incapacity,

unauthorized practice and other issues that could result in formal proceedings.

Most cases are closed or resolved by the Intake, Complaints Resolution or Investigations Departments, without formal discipline. The Director of Professional Regulation determines whether complaints require further regulatory action and if so, they are referred to the Proceedings Authorization Committee (PAC). The PAC consists of benchers appointed by Convocation

## New complaints received by Professional Regulation in 2010

	2009	2010	
Received by Intake Department	4,735	4,801	1.4% increase
Closed/resolved by Intake	1,645	1,795	9% increase
Transferred by Intake			
To Complaints Resolution	2,053	1,811	11% decrease
To Investigations	1,092	1,377	29% increase
To other departments	38	37	
Cases completed in Complaints Resolution			
Complaints closed	1,739	2,028	17% increase
Complaints transferred out	78	106	36% increase
Cases completed in Investigations			
Complaints closed	1,195	994	17% decrease
Complaints transferred out	317	321	1.2% increase



to review and determine if discipline proceedings are to be authorized. The PAC may also authorize a case closure or a remedial outcome.

Matters assigned to the Discipline department include cases involving lawyer and paralegal misconduct, failure to comply with regulatory obligations (including the duty to respond to a Law Society investigation), incapacity and applications for reinstatement of suspended licenses or to vary Hearing Panel orders.

#### Complaints received in Professional Regulation by area of law

<i>Civil litigation</i>	28%
<i>Real estate</i>	17%
<i>Matrimonial/family</i>	20%
<i>Criminal/quasi-criminal</i>	11%
<i>Estates/wills</i>	7%
<i>Administrative/immigration</i>	10%
<i>Corporate/commercial/business</i>	5%
<i>Employment/labour</i>	1%

#### Issues Raised in Complaints Received in Professional Regulation in 2010

	% of Total
<b>CONFLICTS</b> (Lawyer in position of conflict, business/financial relations with client)	8%
<b>FINANCIAL</b> (Mishandling trust accounts, misappropriation, real estate/ mortgage schemes)	10%
<b>GOVERNANCE</b> (Failure to co-operate with LSUC, unauthorized practice)	21%
<b>INTEGRITY</b> (Civility, counselling/behaving dishonourably)	41%
<b>CLIENT SERVICE ISSUES</b> (Fail to account, fail to communicate, fail to serve client)	55%
<b>SPECIAL APPLICATIONS</b> (Capacity, good character)	5%

Figures are greater than 100% because some files raise more than one issue

## DISCIPLINE 2010

### Number of matters heard and disposed of by Hearing Panels

		Lawyers	Paralegals
<i>Conduct</i>	<i>Total</i>	85	3
	<i>Reprimand</i>	12	0
	<i>Suspension</i>	38	3
	<i>Permission to surrender licence</i>	5	0
	<i>Revocation of licence</i>	23	0
	<i>Dismissed</i>	2	0
	<i>Withdrawn</i>	4	0
	<i>Fine/terms only</i>	1	0
	<i>Interlocutory suspension/restriction</i>	12	0
	<i>Capacity</i>	0	0
	<i>Competency</i>	0	0
	<i>Non-compliance</i>	0	0
	<i>Reinstatement</i>	3	0
	<i>Licensing (including readmission)</i>	7	33
		107	36
<b>TOTAL</b>		143	

#### Discipline Issues 2010

	% of Total
<b>CONFLICTS</b> (Lawyer in position of conflict, business/financial relations with client)	5%
<b>FINANCIAL</b> (Mishandling trust accounts, misappropriation, real estate/ mortgage schemes)	29%
<b>GOVERNANCE</b> (Failure to co-operate with LSUC, unauthorized practice)	42%
<b>INTEGRITY</b> (Civility, counselling/behaving dishonourably)	44%
<b>CLIENT SERVICE ISSUES</b> (Fail to account, fail to communicate, fail to serve client)	45%
<b>SPECIAL APPLICATIONS</b> (Capacity, good character)	5%

Figures are greater than 100% because some files raise more than one issue

## Highlights

### Paralegal Regulation

In 2008, the Law Society licensed the first group of paralegals in Ontario. Like lawyers, paralegals are regulated in the public interest, and are required to comply with the *Law Society Act*, its regulations, by-laws and the *Paralegal Rules of Conduct*. The Professional Regulation Division responds to complaints about licensed paralegals.

### Licensed paralegal new complaints

	2009	2010
<i>Received by Professional Regulation Intake</i>	352	464
<i>Closed/resolved by Intake</i>	125	110
<i>Transferred by Intake</i>	222	365
<i>To Complaints Resolution</i>	135	168
<i>To Investigations</i>	87	197
<i>Cases completed by Complaints Resolution</i>	80	162
<i>Cases completed in Investigations</i>	33	114

### Paralegal Good Character Investigations and Hearings

The *Law Society Act* requires applicants for licensing as lawyers or paralegals to be of good character. The Law Society assesses good character by requiring all applicants to disclose issues that may bring their character into question. This includes past criminal convictions, as well as penalties imposed by courts, administrative tribunals or other regulatory bodies.

With the implementation of paralegal regulation in 2008, the Law Society has processed many licensing applications. A number of the grandparent paralegal applications raised good character issues. In 2010, 115 new paralegal good character cases were opened. Over the year, 129 good character matters from the accumulated inventory were closed (68 in Intake, 27 in Investigations and 34 in Discipline; either after a hearing or withdrawn/abandoned).

The *Law Society Act* states that no one who meets the other requirements for licensing as a lawyer or paralegal can be

refused a licence on the basis of good character without a formal hearing. In 2010, six Notices of Referral for Hearing were issued relating to the good character of grandparent paralegal licence applicants and two Notices of Referral for Hearing were issued relating to good character of non-grandparent paralegal licence applicants. Thirty-one grandparent paralegal good character cases in the hearing process were completed in 2010: nine applicants withdrew their applications; 10 applicants were granted their Class P1 licences and 12 applicants were denied licences. There were five decisions under reserve at the end of 2010 and several hearings were in progress.

### Unauthorized Practice of Law / Unauthorized Provision of Legal Services

The *Law Society Act* prohibits individuals who are not licensed as lawyers from practising law. It also prohibits those who are neither lawyers nor licensed paralegals from providing legal services, a term that is defined in the *Law Society Act*.

The Law Society received 330 complaints in 2010 about unauthorized practice/unauthorized provision of legal services (UAP). This represents a decrease of approximately 10 per cent from the number of complaints received in 2009. UAP complaints involve concerns ranging from advertising services that a person or company is not licensed to provide, to more serious cases involving actual representation by non-licensed persons before courts and tribunals.

### Unauthorized Practice 2010

<i>New files opened</i>	330
<i>Closed in Intake</i>	151
<i>Transferred for investigation (to Complaints Resolution or Investigations)</i>	250
<i>Investigation completed</i>	218
<i>No evidence of unauthorized practice</i>	53%
<i>Discontinued</i>	20%
<i>Evidence of unauthorized practice</i>	27%

### Decrease in Civility Complaints

In 2009 and 2010, the Law Society developed programs focusing on issues of civility and professionalism, in part in response to an increase in complaints received about professionalism. One



such program was the Civility Forum, led by then Treasurer Derry Millar. The Forum consisted of 11 meetings with lawyers and paralegals across Ontario to discuss civility and the importance of professionalism. Members of the judiciary provided presentations at these meetings. The complaints experience in 2010 showed that the number of civility and professionalism complaints appears to be moderating. In 2010, there was a decline in the number of complaints alleging unprofessional conduct by lawyers and paralegals, from 1,362 in 2009 to 1,250 in 2010.

### *Implementation of Civility Complaints Protocols*

The Civility Complaints Protocols were introduced in September 2009, providing mechanisms for judges and justices of the peace to refer to the Law Society incidents of inappropriate conduct on the part of lawyers and paralegals appearing before the Courts. This program developed by the Law Society and the Courts set out a process for the judiciary to forward complaints to the Law Society and created protocols for communications about the complaints. These protocols include a diversionary process whereby referred lawyers can receive mentoring from senior members of the Bar.

Since the implementation of the protocols in September 2009, the Law Society has received 42 complaints from the judiciary. These complaints have resulted in a range of outcomes, from mentoring to prosecution, and have included motions for interlocutory suspensions.

### *Mortgage Fraud*

Mortgage fraud continues to be a focus of attention for the Law Society. In 2010, new mortgage fraud investigations were commenced against 34 lawyers. During the year, 83 investigations were completed, and 29 mortgage fraud prosecutions were commenced. In 2010, Hearing Panels concluded 13 hearings of mortgage fraud matters. Findings of professional misconduct were made in all 13 hearings. In nine of the hearings, the Hearing Panels ordered that the lawyers' licences be revoked. In three of the hearings, the lawyers were given permission to surrender their licences and in one hearing, a suspension of the lawyer's right to practise law was ordered. Since 2001, the Law Society has completed 57 mortgage fraud prosecutions.

### *Interlocutory Suspensions*

During the course of an investigation or prosecution, the Law Society will take steps to protect the public if the evidence identifies an ongoing risk of harm to the public. In such circumstances, a motion for an interlocutory suspension can be brought before a Hearing Panel to obtain an order suspending the licensee's licence until the investigation and/or prosecution

is completed. In 2010, 12 motions were brought before Hearing Panels seeking an interlocutory suspension of the lawyer's or paralegal's licence. In 10 instances, the lawyer's or paralegal's licence was suspended pending the conclusion of the hearing. In two instances, the Hearing Panels ordered that, until the conclusion of the hearing, restrictions be placed on the ability of the lawyers to practise law.

The following table sets out the Law Society's experience with interlocutory motions since 2001.

### *Interlocutory Motions for Restriction or Suspension*

Year	Number of Motions Heard
2001	0
2002	0
2003	1
2004	3
2005	2
2006	3
2007	2
2008	5
2009	7
2010	12

### *Appeals*

The Law Society has noted an increase in the number of appeals from decisions of the Hearing Panel to the Appeal Panel in 2009 and 2010. These cases include appeals by lawyers from decisions concerning misconduct, and also appeals from decisions concerning the licensing of paralegals in the grandparent process.

### *Appeals initiated in Law Society Appeal Panel*

Year	# Appeals re lawyers	# Appeals re paralegals	Total # Appeals
2003	8	0	8
2004	10	0	10
2005	4	0	4
2006	13	0	13
2007	11	0	11
2008	14	0	14
2009	14	5	19
2010	15	12 (all paralegal applicants)	27

## Appeals initiated in the Courts

Year	Divisional Court	Court of Appeal
2003	1	0
2004	7	0
2005	1	0
2006	1	1
2007	3	0
2008	8	3 (leave motions)
2009	1	1 (leave motions) 2 (appeal on merits)
2010	2 appeals; 3 judicial reviews	4 (leave motions)

## Cost Recovery

Professional Regulation recovers costs and fees owing to the Law Society. In 2010, the Monitoring & Enforcement department collected and recovered over \$223,000 in costs, bankruptcy dividends and Rule 6.07 fees. The Trustee Services department recovered \$145,145.78 in court-ordered costs and \$28,888.31 in payments to the Compensation Fund.

## Other Professional Regulation Activities

### Complaints Review

The Complaints Resolution Commissioner (CRC) reviews cases that are closed by staff where the complainant is dissatisfied with the manner in which the case was handled. The CRC conducts an arms-length and impartial review of the investigation and the decision to close the case, typically meeting with the complainant to discuss the matter. As of December 31, 2010, the CRC was Stindar Lal, Q.C. Mr. Lal assumed the position of CRC on April 1, 2010.

### Requests for Reviews and Review Meetings Held

	2009	2010
Requests for Reviews	254	244
Cases Reviewed	198	205
Decisions Rendered	194	193
Recommendation for Case to Remain Closed	174 (90%)	160 (83%)
Recommendation for further regulatory action	20 (10%)	33 (17%)
Director's Response to Referral Back Recommendations		
Adopted CRC Recommendation	14 (70%)	13 (39%)
Declined CRC Recommendation	6 (30%)	20 (61%)

## Monitoring & Enforcement

The Monitoring & Enforcement department is responsible for ensuring compliance with orders and undertakings obtained by the Law Society in the course of its regulatory activities. Also, since May 1, 2009, the department has been responsible for responding to inquiries from the public concerning regulatory matters.

### New Matters in Monitoring & Enforcement and Inventory at Year End

	2009		2010	
	New cases	Inventory at Year end	New cases	Inventory at Year end
Enforcement	38	53	21	8
Bankruptcies	38	93	45	103
Orders	107	371	138	340
Restitution & Judgments	9	56	13	47
Undertakings	92	365	63	371
Orders & Undertakings in Abeyance		490		519
TOTAL	284	1,428	280	1,388

### Regulatory Inquiries Responded to by Monitoring & Enforcement

Type of Inquiry		Totals for 2009*	Totals for 2010
Email	Number	1,655	4,302
	Licensees	2,844	5,976
Telephone	Number	3,193	3,575
	Licensees	3,544	3,944
Total Inquiries	Number	4,848	7,877
	Licensees	6,388	9,920

\*May 1 to December 31, 2009

## Trustee Services

Under Section 49.47 of the *Law Society Act*, the Law Society may seek a trusteeship where a lawyer or paralegal has abandoned their practice, has had their licence revoked or has otherwise ceased to practise or provide legal services. Once the Law Society obtains a voluntary trusteeship or trusteeship order from the Superior Court, the Trustee Services Department takes effective control over client matters related to the professional business. Trustee Services staff also receive and respond to specific client-related requests such as the return of a file or responding to information concerning a professional business.

## Trusteeships and Client Requests

	2009	2010
<i>Trusteeships obtained under the Law Society Act</i>	16	12
<i>Trusteeships obtained by negotiated agreement</i>	8	10
<i>Cases in which guidance &amp; information provided on how to wind up a lawyer's law practice</i>	42	26
<i>Client Requests Received</i>	3,051	1,512
<i>Client Requests Closed</i>	2,754	1,899

## Unclaimed Trust Funds Services

The Law Society has a program (required under the *Law Society Act*) that enables lawyers and paralegals to submit unclaimed trust funds that they have held for at least two years to the Law Society. Members of the public who believe they are entitled to these funds are able to make claims for these funds. Names of those entitled are published from time to time in the *Ontario Gazette*.

## Unclaimed Trust Fund – 2010

<i>Applications received</i>	253
<i>Approved</i>	208
<i>Denied</i>	92
<i>Pending</i>	59
<i>Total received</i>	\$250,000
<i>Claims paid (3)</i>	\$12,000

## Compensation Fund

For more than 50 years, the Compensation Fund has compensated members of the public who are victims of lawyer (and now, licensed paralegal) dishonesty and who have thereby suffered a financial loss. Clients can apply to the Fund for reimbursement of lost money or property.

Pursuant to the general guidelines for the determination of grants, the Fund can be used to reimburse individuals for up to a maximum of \$150,000 (for lawyers) and \$10,000 (for paralegals).

## Compensation Fund – 2010

<i>New claims/ applications received</i>	103 claims against lawyers; 38 claims against paralegals
<i>Total grants paid</i>	\$2,253,000 on 99 claims against lawyers; \$12,000 on 20 claims against paralegals

# Promoting equity and diversity



*The Law Society is committed to promoting equality, diversity and access to justice and has established a strong infrastructure to develop initiatives and programs that promote a diverse legal profession.*

*Pride Week 2010, from left to right: Milé Komlen, Chair of the Law Society's Equity Advisory Group and the OBA Sexual Orientation and Gender Identity Section, and Director, Human Rights & Equity Services, McMaster University; Cynthia Petersen, Law Society Discrimination and Harassment Counsel, and partner, Sack Goldblatt Mitchell LLP; Raj Dhir, Deputy Director, Ministry of Labour, Legal Services Branch (formerly with the Ontario Human Rights Commission); and Reverend Dr. Brent Hawkes, Metropolitan Community Church of Toronto. The annual Pride celebration is one of several public events held throughout the year in partnership with other organizations.*

## Justicia and the Retention of Women

The implementation of the recommendations in the *Retention of Women in Private Practice Report* continued to be a priority in 2010. Justicia, a three-year pilot project, involves firms sharing best practices to promote the retention and advancement of women in the private practice of law. These include policies on pregnancy, parental leave and flexible work arrangements, as well as gender-based programs focusing on mentoring, leadership and networking opportunities.

The participation of more than 55 firms in the Justicia project demonstrates the profession's strong commitment to the adoption of programs to retain women in private practice. Since its inception, Justicia law firms have worked with the Law Society to develop resources for firms, such as guides to developing parental and maternity leave, and flexible work arrangement policies, a profitability template to calculate the costs of flexible work arrangements and a guide to assist law firms in gathering gender demographic data. The firms are developing resources to support women lawyers in their advancement from associates to partners.

The Parental Leave Assistance Program is now in its second year of implementation. This three-year pilot program is designed to support lawyers in sole practices and partners in small practices of five or fewer lawyers to maintain their practices after the birth or adoption of a child. Under the program, the Law Society provides a fixed sum of \$750 a week to eligible applicants for

up to 12 weeks. Since the program's inception in March 2009 and up to the end of 2010, 118 applications from both men and women have been approved.

The Contract Lawyers' Registry was revamped in 2010 to make it more user friendly. The registry is a list of lawyers from across the province who are available to work on a contract basis. It provides valuable support for sole and small firm practitioners who may require additional assistance on a short-term or contract basis, making it easier for them to maintain a healthy work-life balance, as well as an efficient law practice during their absence.

The Law Society also launched its Women's Online Resource Centre (WORC) in 2010, providing quick access to a host of invaluable resources for women in the legal profession. The Women's Symposium was delivered in February 2010 in Ottawa and was a success with approximately 100 participants. As a result, a women's leadership workshop series was launched in Ottawa, London and Toronto with 'Meet the Treasurer' events.

## Change of Status Survey

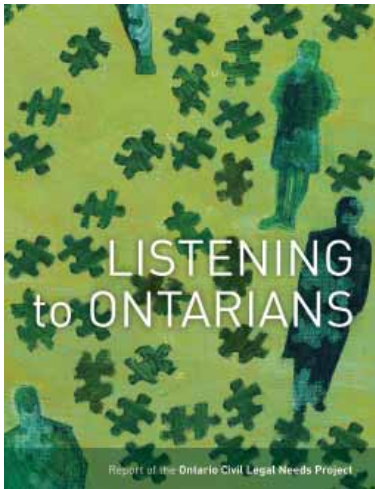
In 2010, The Law Society continued a voluntary Change of Status Survey with lawyers who change their primary businesses or status in the legal profession. Launched in 2009, the purpose of the survey is to identify trends and compile information relating to reasons for movement in the legal profession. The 2009 results are available online. Findings for 2010 will be available soon.



## Demographic Data Collection

The Law Society approved a voluntary question in the 2009 Lawyer and Paralegal Annual Reports asking respondents to self-identify – on a confidential basis – as members of Francophone, Aboriginal or equality-seeking communities. The Law Society is gathering these statistics to better understand demographic trends in the profession, to develop programs and initiatives, and to promote equality and diversity in the profession. The demographic question was also included in the 2010 Lawyer and Paralegal Annual Reports.

## Ontario Civil Legal Needs Project



The Law Society, Pro Bono Law Ontario and Legal Aid Ontario continue to partner in the Ontario Civil Legal Needs Project, a legal research initiative to identify and address some of the obstacles faced by low- and middle-income Ontarians in obtaining meaningful access to justice. The project is also funded by the Law Foundation of Ontario. A report of the first phase of the project, *Listening to Ontarians*, was released in May 2010 and is available online in French and English. The second phase of the project, a mapping exercise of available legal services, is expected to be released in 2011.

## Ornstein Report

The Law Society retained Professor Michael Ornstein in 2009 to analyze the 2006 Canada Census data to compare diversity within the legal profession with the overall population and other professions. Professor Ornstein released the report, *Racialization and Gender of Lawyers in Ontario*, in April 2010. The report provides a statistical portrait of Aboriginal, racialized and women lawyers in Ontario, beginning with a detailed profile of the profession based on the 2006 Canada Census. Findings show that nearly 60 per cent of the youngest lawyers in Ontario are women, a significant demographic shift driven in large part by the increasing number of racialized women entering the profession.

## Studies Underway

Professor Fiona Kay has also undertaken two studies with the legal profession – a culmination of 20 years of a longitudinal study of Ontario lawyers, beginning in 1990. The studies focus on job transitions, as well as departures from and re-entries to the practice of law. Results are expected in 2011.

## Promoting Equality and Diversity Through Committees and Working Groups

The Law Society develops policies and programs to promote equality and access to justice through committees and working groups of benchers, lawyers and paralegals. Some of the active committees and working groups in 2010 are described below.

The **Equity and Aboriginal Issues Committee** is a standing committee of Convocation that develops policy options for the promotion of equality and diversity in the legal profession, as well as for all matters related to Aboriginal Peoples and the Francophone community. In 2010, the committee approved and monitored the activities described above.

The **Access to Justice Committee** is a standing committee of Convocation. Its mandate is to develop recommendations to Convocation for policy options for promoting access to justice. In 2010, the committee undertook activities that included the Ontario Civil Legal Needs Project, researching legal expense insurance, as well as incentives for encouraging lawyers to practise in under-served areas in Ontario.

The **Equity Advisory Group** is composed of lawyers and legal organizations that provide input on the development of policies and practices related to equality within the profession and within the Law Society.

The **Retention of Women in Private Practice Working Group** is composed of benchers and women lawyers with experience in developing programs for women in the legal profession, and more particularly, in private practice. The Women's Equality Advisory Group (WEAG) was created in 2009 to oversee the implementation of policies related to the retention of women from equality-seeking communities in private practice.

The **Return to Practice Working Group** was created as part of the Retention of Women in Private Practice Project to identify strategies and develop resources to facilitate the return of women lawyers to the workforce following extended absences.

The **Aboriginal Working Group** is implementing the *Final Report of the Aboriginal Bar Consultation*. The Lawyer Annual Report was modified to add "Aboriginal law" as a practice category, which will provide empirical data on how many

lawyers practise in this area. The Aboriginal Initiatives Counsel and members of the Equity and Aboriginal Issues Committee travelled across the province in 2010 to network with Aboriginal lawyers and students.

The **Human Rights Monitoring Group** reviews information about human rights violations throughout the world that target lawyers and judges in the performance of their professional duties, and recommends Law Society interventions. In 2010, the Law Society made over 10 interventions.

The Monitoring Group held its second Rule of Law Education Series event with partners Canadian Lawyers Abroad and Canadian Lawyers for International Human Rights. Keynote speaker Christopher Alexander, former Canadian Ambassador to Afghanistan and former United Nations Deputy Special Representative of the Secretary-General for Afghanistan spoke on the topic of Peace, Reconciliation and Justice: The Afghanistan Experience, Reflections of a Canadian Diplomat.

## Discrimination and Harassment Counsel Program

The Discrimination and Harassment Counsel (DHC) Program provides free, confidential advice, in French and English, to members of the public and the legal profession who believe they have been harassed or discriminated against by a lawyer or a paralegal.

In 2010, 192 people contacted the DHC with new matters; 73 raised specific complaints of discrimination or harassment by a lawyer, paralegal, or law firm in Ontario. The most common grounds of complaints were sex (45 per cent), disability (20 per cent) and race (19 per cent). Complaints based on grounds such as ethnic origin, ancestry, sexual orientation, age, family status, marital status and record of offences were also raised.

In 2010, the DHC addressed three complaints of harassment and discrimination by paralegals. All complaints made against paralegals were based on the grounds of sex.

## Professional Development

The Law Society, through the DHC Program and the Equity Initiatives Department, provides custom-designed education and resources to promote understanding of equality issues to law firms, law faculties and legal associations. In 2010, professional development programs were delivered to more than 500 law students, lawyers and paralegals.

## Collaborating with Communities

Collaboration with legal organizations and community agencies has been a hallmark of our equity initiatives. Collaborating

organizations include: the Aboriginal Legal Services of Toronto, The Advocates' Society, ARCH Disability Law Centre, the Arab Canadian Lawyers Association, Amnesty International Canada, the Association des juristes d'expression française de l'Ontario, B'nai Brith Canada, the Barbra Schlifer Commemorative Clinic, the Black Law Students' Association of Canada, the Canadian Association of Black Lawyers, Canadian Lawyers Abroad, Canadian Lawyers for International Human Rights, the City of Toronto, the Federation of Asian Canadian Lawyers, the Feminist Legal Analysis Section of the OBA, the Hispanic Ontario Lawyers Association, Human Rights Watch Canada, the Indigenous Bar Association, Lawyers' Rights Watch Canada, Legal Aid Ontario, the Métis Nation of Ontario, the Nishnawbe-Aski Nation Legal Services Corporation, the Official Languages Committee of the OBA, Pro Bono Law Ontario, the Sexual Orientation and Gender Identity Section of the OBA, the South Asian Bar Association of Toronto, the South Asian Legal Clinic of Ontario, the Toronto Indigenous Sovereignty Week Organizing Committee, the Women's Law Association of Ontario and the Women's Legal Education and Action Fund.

## Equity and Diversity Mentorship Program

Central to the Law Society's outreach efforts is the Equity and Diversity Mentorship Program, which matches mentors who are experienced members of the bar with new lawyers, Licensing Process candidates and students in law school, university and high school. In 2010, 70 lawyers were registered as volunteer mentors in different areas of law, and 28 lawyers and students were assisted by the program.

## Career Symposiums for Aboriginal Students

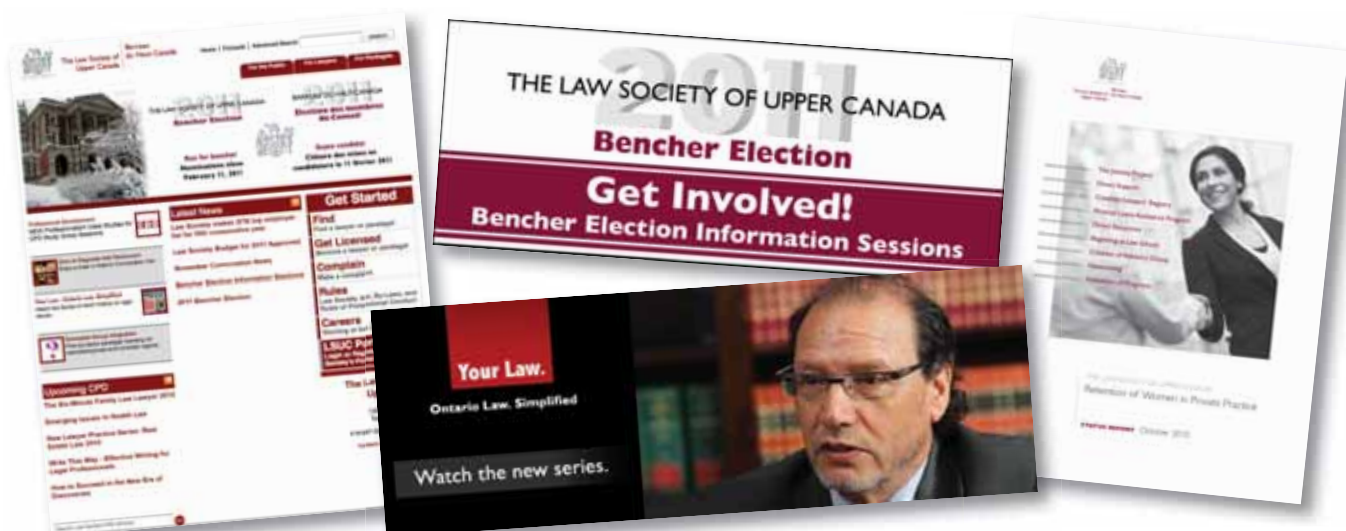
In 2010, the Law Society organized its seventh career symposium for Aboriginal students, giving Aboriginal students from Ontario law schools an opportunity to meet with Aboriginal lawyers and judges and leaders of Ontario's legal profession to discuss many issues. Three events were held, in Toronto, Windsor and Ottawa.

## Equity Public Education Series

The Law Society works in partnership with a number of legal stakeholders to promote awareness and discussion among members of the public and the legal profession on the challenges and opportunities for Francophone, Aboriginal, and equality-seeking communities in law and the legal profession.

Events, such as public forums and seminars, are planned throughout the year to mark dates of public significance, including Black History Month, International Women's Day, National Holocaust Memorial Day, National Aboriginal History Month, South Asian and Asian Heritage Month, Access Awareness Week, Pride Week, International Human Rights Day and Louis Riel Day.

# Getting the message out strategically



*The Law Society maintains an active communications strategy designed to make it easier for the public to find a lawyer or paralegal to help them navigate the justice system and obtain assistance with legal issues. We also strive to increase understanding of the Law Society's role in serving the public interest. Much of our communications initiatives are focused on keeping lawyers and paralegals current with changes in policy, in rules and regulations, and with other issues that affect the profession.*

## Strategic Initiatives

In 2010, we began implementing enhancements to the major components of our communications strategy. This work was guided by findings from 2009 surveys of the public and lawyers which focused on the *Ontario Lawyers Gazette* and the *Ontario Reports*, as well as electronic channels such as our website, emails, and digital newsletters.

As a result, we reconfigured the website significantly in 2010 to make it easier for the public to find the services and information they seek most often. As well, we introduced a series of new video vignettes to provide helpful information to the public and raise awareness about the value of hiring a lawyer or paralegal.

## Media Relations

The media play a key role in disseminating information to the public, lawyers and paralegals. Overall, there were 367 mentions of the Law Society in print, broadcast and online media stories in 2010. A total of 251 inquiries were received from media outlets and reporters, including 33 requests for interviews.

The ten most popular media stories about the Law Society in 2010 were:

1. Discipline cases
2. Paralegal regulation
3. Diversity in the legal profession (Ornstein Report, Retention of Women, Equity events)
4. Decision, Order and Reasons for Parminder Singh Saini's good character hearing
5. Civil Legal Needs Report
6. Treasurer election
7. Continuing Professional Development
8. Civility
9. Governance reforms
10. Calls to the Bar /LL.D. recipients

Also in 2010, the Law Society:

- Distributed 86 media releases and advisories (64 in English, 22 in French) on a variety of issues of importance to the public and the profession.



- Distributed 11 Tribunal decision news releases, and 45 weekly decision summaries. Numerous media outlets throughout the province routinely report these hearing results. In 2010 we maintained a media list of more than 140 members of the media who have asked us to send them these summaries.

## Publications

Based on findings from lawyer surveys conducted in 2009, and as part of our commitment to reduce paper, we developed a digital version of the *Ontario Reports* last year and began making it available in the spring of 2010 as an alternative to the print edition. Members were given the opportunity to continue to receive the printed edition, but only a small portion – 16.5 per cent – chose to do so. Almost 38,000 members now receive the digital version.

Throughout the year, we continued to publish electronic versions of *Convocation News*, the e-newsletter which is sent to lawyers and paralegals via email the same day as each Convocation meeting, and *Paralegal UPDATE*, the e-news bulletin for paralegals. These publications continue to garner positive feedback from readers.

## Videos

In 2010, Communications was pleased to develop and launch five short videos in response to the growing number of people looking for online assistance in navigating the legal system. Called *Your Law*, the series explores the common legal issues members of the public often face in their day-to-day lives and the benefits of hiring a lawyer or licensed paralegal to help in these situations.

The first five videos look at working with a lawyer when buying or selling a house or writing a will and creating a power of attorney, or dealing with personal injury, custody and child support, or alimony and jointly owned property. A sixth video was developed at the end of 2010, demonstrating how paralegals can help people in Small Claims Court or with a traffic offence.

The complete video series is available on YouTube, as well as the Law Society's website, and continues to receive a significant number of viewings.

## Program Support

The Communications Department provided support to a number of key Law Society programs and initiatives throughout the year, including the Retention of Women in Private Practice initiatives, the Ontario Civil Legal Needs Project, the report on the Racialization and Gender of Lawyers in Ontario, and the new Continuing Professional Development requirement.

In January and February of 2010, Communications helped the former Treasurer and members of the Professional Regulation Division stage the eight remaining Civility Forum sessions. Attracting 755 participants, these sessions were held in various locations throughout the province, from London, to Toronto, to Thunder Bay.

We also participated in the planning and promotion of the first-ever election of members of the Paralegal Standing Committee which was held in March 2010.

In the fall of 2010, we provided communications support to generate interest among lawyers about the 2011 Benchers Election, and to encourage nominees and voter participation. We developed and implemented a comprehensive strategy using a range of electronic and print media to ensure that all lawyers had access to information about the candidates and the election process.

Through the year, Communications staff also worked actively with the members of the Law Society's Equity Department to promote and host 13 Equity Public Education and Rule of Law Series events.

## Website

The public website continues to be the primary means of communicating with our stakeholders. Over the first four months of 2010, there were 5,385,760 total views to the website. This is an increase of 14.8 per cent in usage compared to the same period in 2009.

Midway through the year we migrated all the web content for the public over to a new content management system. Once this work was complete in October, we introduced a new landing page and organizational structure to improve access to information and navigation.

Among the many improvements, various public services were grouped together to make them easier to access. These include the online lawyer and paralegal directory, the Lawyer Referral Service, the listing of Certified Specialists, and information pages about complaints and compensation. The website has a new section that provides information on regulatory notices, hearing schedules, and tribunal orders and decisions all in one easy-to-access place. Users can now search for this information by lawyer or paralegal name, or date.

We are making further enhancements to the site in 2011 by incorporating best practices in web design to make the site more user-friendly, and to give it a more contemporary look and feel.

# New technologies to drive service improvements

*The Information Systems (IS) Department manages the business information systems, computing infrastructure, communication networks and databases of the Law Society.*



To fulfil the Law Society's mandate, it is essential that the Law Society uses business applications that are effective, efficient, and provide our staff, our members and the public with ready access to information.

The IS strategy has four main areas of focus:

- green computing and reduction of paper usage through the use of energy efficient technologies and the availability of more online information, reports and transactions
- greater user access to information to increase staff efficiency and effectiveness
- modernization of older applications to ensure they continue to operate effectively
- enhanced security in the protection of confidential information.

## New LSUC Portal and Other Online Processes

We successfully implemented several new systems that enable members to interact with the Law Society online. These new systems include the LSUC Portal and the paperless e-filing system for the Lawyer and Paralegal Annual Reports. And in 2011, the bench election is being conducted electronically. The new LSUC Portal is now available and enables lawyers and paralegals to access and update personal information by submitting the Change of Information form online as well as track and report their CPD requirements. This system is the culmination of years of planning and represents an exciting new service delivery vehicle for the Law Society. As of March 2011, over 18,000 members are using the LSUC Portal. This very significant uptake shows that members are embracing these new online capabilities, which translates into improved service, greater efficiencies and a considerable reduction in paper.

## Enhanced Directory

In keeping with the Law Society's mandate, and to ensure increased transparency, the online lawyer and paralegal

directory was enhanced to include detailed information on current hearings, discipline history and trusteeships. This information provides the public with improved access to information.

## New Computing and Network Technologies

The Law Society upgraded its computing and network infrastructure to support expansion of the telecommuting program. This program has been very successful in containing the Law Society's needs for additional office space, while ensuring staff are highly productive with robust, efficient and secure home office technology. Over 50 staff participate in the telecommuting program.

## Project Evergreen

We continued to implement Project Evergreen to replace outdated computers with more energy efficient models, saving overall costs to the organization. Through the recycling and disposal policy, the Law Society has either donated old computers to charities, or disposed of them in a secure, environmentally friendly manner.

## Regulatory Compliance

IS has taken a leadership role in ensuring that the Law Society complies with current or planned regulations with respect to our credit and debit card processes, and the *Accessibility for Ontarians with Disabilities Act* Information and Communications Standard.

## Website Development

IS has led a cross-organization team in the implementation of a new web content management system. This system provides greater ability to deliver more content in newer ways through our website.

# Fostering a diverse and engaged workforce

*In an increasingly diverse and multicultural society, the Law Society encourages a work environment that promotes equity and diversity.*



We are committed to making sure that our recruitment, hiring, training, compensation, and other “people” activities are fair and equitable. Ensuring we consider employees and prospective employees on the basis of individual merit and actively promoting equity for all individuals without regard to race, colour, religion, sex, national origin, or sexual orientation, is not only just and right, it also makes good business sense.

Diversity helps the Law Society identify and capitalize on opportunities to improve its services, particularly those delivered to Francophones and Aboriginal Peoples, as well as members of equity-seeking groups, improve the quality of decision-making at all levels, and improve our reputation as a responsible organization.

## Greater Toronto's Top Employers

Understanding our employees' needs has made us one of Greater Toronto's Top Employers. October 2010 marked the fifth year the Law Society had been named one of Greater Toronto's Top Employers, and the eighth year as a Top Employer. In a marketplace where key talent recruitment and retention are essential to the Law Society's success, this designation recognizes the Law Society as one of Greater Toronto's exceptional places to work. Being publicly recognized as an industry leader is an important validation of the Law Society's dedication to employ best human resources practices.

## 2010 Employee Engagement Survey

The Employee Engagement Survey (EES) helps us to prioritize and concentrate on specific workplace initiatives that enhance employees' work experience, and also increases

our effectiveness in regulating the legal profession in Ontario. Engaged employees are enthusiastic and inspired by their work. Their positive feelings translate into high-performance behaviour and help foster a workforce that is conscientious, determined and constantly strives for excellence.

The Law Society uses eight questions from the EES to measure engagement; these questions are used by numerous other organizations to measure engagement. Our overall engagement score of 87 per cent is 12 per cent higher than the external benchmark and five per cent higher than in 2008. These differences are a reflection of our workplace developments.

Also, employees continue to be satisfied with work-life balance, with all scores in that section of the employee engagement survey coming in over 75 per cent favourable. These scores are in part the result of initiatives undertaken by the Law Society to maintain our high level of attraction and retention of employees.



**Greater Toronto's  
Top Employers  
2010**

# Managing our financial resources

*The Law Society's Finance Department is committed to continuous improvements in the way it manages and reports the organization's finances. As a result of changes in reporting structure implemented in 2009, the 2010 audited annual financial statements report financial results for the Law Society as a combined operating entity including the Compensation and Errors and Omissions Insurance (E&O) Funds. The 2010 audited annual financial statements are contained in a separate publication.*

The Lawyers' Professional Indemnity Company ("LAWPRO") continues to report on the results of its own operations separately, but manages the day-to-day operations of the E&O Fund under the terms of a management services agreement.

The Law Society's other non-consolidated subsidiary, LibraryCo Inc., produces its own annual financial statements and performance highlights.

The Finance Department has participated in the development of new accounting standards for not-for-profit organizations, responding to the Accounting Standards Board (AcSB) invitation to comment and the exposure draft on Canadian not-for-profit accounting. Out of this work by the AcSB, a new framework has been approved based on existing Canadian Generally Accepted Accounting Principles for private enterprises incorporating the Canadian Institute of Chartered Accountants standards that relate to situations unique to the not-for-profit world.

The department also assessed the option of International Financial Reporting Standards (IFRS) and determined that the new accounting standards for not-for-profit organizations are more relevant for users of the Law Society's financial statements. The new standards will be effective January 1, 2012. The Law Society will be adapting its financial reporting to comply with these standards.

## 2010 Financial Statements

As noted above, the financial statements report on the Law Society entity, including the E&O Fund and the Compensation Fund. In 2010, the Law Society had a surplus of \$7 million,

compared to a deficit of \$18.6 million in 2009. The surplus in the current year arises primarily from the operations of the Society's E&O and Compensation Funds:

- in the E&O Fund, due to \$8 million received in a legal settlement of all claims, damages and expenses related to a long-standing matter regarding the valuation of the E&O Fund's pre-1995 claims reserves; and
- in the Compensation Fund as a result of favourable developments in the reserve for unpaid grants.

## Results of 2010 Operations – General Fund

The Society's General Fund, the fund that reports the bulk of the Society's operations related to its regulatory and competence mandate, incurred a deficit of \$3.4 million, slightly less than half the planned amount. The financial plan, as represented by the 2010 budget, incorporated the potential use of \$6.7 million from the General Fund balance to support operations. Actual results in the General Fund meant that the need to use the accumulated fund balance was reduced.

Professional development and competence revenues have increased from \$10.9 million to \$12.2 million due to increased continuing professional development course revenue and fee revenue associated with increased numbers of licensing candidates.

Regulatory expenses of \$20 million are \$2 million higher than in 2009. The 2010 budget envisaged this increase in response to the increasing number of complaints.



## Results of 2010 Operations – Compensation Fund

The Compensation Fund is maintained to mitigate losses sustained by a client as a consequence of a lawyer's or paralegal's dishonesty. The balance in the Compensation Fund stands at \$25.9 million, after a surplus of \$5.1 million in 2010, compared to a surplus of \$1.4 million in 2009. The surplus was primarily the result of favourable developments in the reserve for unpaid grants.

## Results of 2010 Operations – E&O Fund

The E&O Fund accounts for insurance-related transactions between LAWPRO, the Society and insured lawyers. Premiums remitted to LAWPRO have decreased slightly, from \$95.1 million in 2009 to \$94.8 million in 2010.

## Results of 2010 Operations – County Libraries Fund

Funding of county libraries totalled \$6.9 million or \$203 per lawyer compared to the 2009 funding of \$7.4 million or \$220 per lawyer. Grants to county libraries increased by two per cent due to the use of LibraryCo Inc.'s reserves.

The Finance Department continues to provide financial services to LibraryCo through the administrative services agreement that includes preparation of financial reports, development of the annual budget and administrative assistance to county associations on financial matters.

Ontario lawyers also support the Great Library and the Canadian Legal Information Institute (CanLII) through their Law Society annual fees.

## Parental Leave Assistance Program

Along with the rest of the Society, the Finance Department continues to implement the recommendations from the Retention of Women Working Group, including the Parental Leave Assistance Program. The three-year pilot program, started in March 2009, is designed to assist lawyers in practices of five or fewer lawyers, to maintain their practices after the birth or adoption of a child. Under the program, the Law Society provides a fixed sum of \$750 a week to eligible applicants for up to 12 weeks. Benefit payments totalled \$539,000 to 67 applicants. The number of applicants approved is consistent with the uptake predicted by the actuarial study prepared during the consultation phase of the program development.

## Lawyers Feed the Hungry Program

The Lawyers Feed the Hungry Program expanded in 2010 to Ottawa and Windsor. These programs are in addition to existing ones in Toronto and London. The Finance Department continues to play a key role overseeing the programs. Outside of the Toronto program, staff liaise with volunteer program coordinators on financial and fundraising matters, ensuring compliance with Canada Revenue Agency requirements for charities.

## Harmonized Sales Tax

The Finance Department led the transition when the Goods and Service Tax was harmonized with the Provincial Sales Tax in July 2010. Systems and procedures were updated for the collection and remittance of HST. Affected revenues are spread across annual fees, licensing fees and most other education courses and materials.

## Overall Annual Fees and Premiums

The Law Society's General Fund and Compensation Fund are primarily funded by lawyers and paralegals paying annual fees as set out below. Lawyers also fund the operations of the County and District Law Libraries under the administration of LibraryCo Inc. and the compulsory professional liability insurance program via the E&O Fund.

In November 2010, Convocation approved the 2011 budgets for lawyers and paralegals, and in September 2010, Convocation approved LAWPRO's report for the 2011 insurance year resulting in the following fees and premiums:

### Lawyers

	2009	2010	2011
General Annual Fee	\$ 1,212	\$ 1,211	\$ 1,292
County Library Annual Fee	220	203	196
Compensation Fund Annual Fee	226	257	222
Capital Annual Fee	45	65	75
Base Insurance Premium	2,450	2,950	3,350
TOTAL	\$ 4,153	\$ 4,686	\$ 5,135

### Paralegals

	2009	2010	2011
General Annual Fee	\$ 710	\$ 685	\$ 711
Compensation Fund Annual Fee	145	183	171
Capital Annual Fee	45	65	75
TOTAL	\$ 900	\$ 933	\$ 957

## Looking Ahead

The Law Society's 2011 budget focuses on the organization's core responsibilities of professional regulation, professional development and competence and policy development. The challenges addressed in the budget include increased regulatory volumes and implementation of mandatory continuing professional development ("CPD").

The budget increase for Professional Regulation is primarily due to an increase in the number of complaints, an increase in the complexity of complaints and the need for additional resources primarily in the investigations and complaints resolution areas.

The budget increase for Professional Development & Competence is primarily attributable to increased resources for the new CPD initiative approved by Convocation in February 2010. Other

departments, including Information Systems and the Client Service Centre require additional resources in support of the initiative. The continued development of a secure member portal has also required increased resources across other departments such as Information Systems and the Client Service Centre.

The 2011 annual fee for lawyers at \$1,785 is virtually equal to the \$1,782 fee in 2001. Since that year, the cumulative increase in the Consumer Price Index (CPI) has been 23 per cent. Over the same period the cumulative increase in Law Society expenses for lawyers has been 26.1 per cent, only slightly greater than the CPI rate increase. The number of lawyers has increased by 40 per cent over this time and the implementation of paralegal regulation occurred during the last four years of that period. Despite this burgeoning workload, the Law Society's financial condition has improved with increased reserves and fund balances.

## Law Society Comparative Annual Fees





#### TREASURER

Laurie H. Pawlitza

#### ELECTED BENCHERS

Bob Aaron  
Raj Anand, LSM  
Constance Backhouse, C.M., O.Ont., LSM  
Larry Banack  
Jack Braithwaite  
Christopher D. Bredt  
John A. Campion  
James R. Caskey, Q.C.  
Thomas G. Conway  
Marshall A. Crowe, LSM  
Mary Louise Dickson, O.Ont., Q.C.  
Lawrence Alexander Eustace  
Julian N. Falconer

Carl E. Fleck, Q.C.  
Avvy Yao-Yao Go  
Alan D. Gold  
Gary Lloyd Gottlieb, Q.C.  
\*\*Glenn Hainey  
Jennifer A. Halajian  
Susan M. Hare  
Carol Hartman  
Thomas G. Heintzman, O.C., Q.C.  
\*Paul J. Henderson  
\*\*\*William E. Kaplan, LSM  
The Hon. Doug Lewis, F.C.A., Q.C., P.C.  
Susan T. McGrath  
Janet E. Minor  
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